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## SENATE BILL No. 270

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### DIGEST OF INTRODUCED BILL

**Citations Affected:** IC 20-14-2-7; IC 20-14-3.

**Synopsis:** Library administration. Makes various changes concerning public library administration. Allows employee severance pay. Alters procedures for making loans and issuing notes in anticipation of future revenues and for paying claims. Adds to the list of items for which a public library may pay claims in advance of library board allowance. Allows a library board to compromise claims and to designate a person to collect money or materials owed to the library.

**Effective:** Upon passage.

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January 7, 2002, read first time and referred to Committee on Governmental and Regulatory Affairs.

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Second Regular Session 112th General Assembly (2002)

PRINTING CODE. Amendments: Whenever an existing statute (or a section of the Indiana Constitution) is being amended, the text of the existing provision will appear in this style type, additions will appear in **this style type**, and deletions will appear in ~~this style type~~.

Additions: Whenever a new statutory provision is being enacted (or a new constitutional provision adopted), the text of the new provision will appear in **this style type**. Also, the word **NEW** will appear in that style type in the introductory clause of each SECTION that adds a new provision to the Indiana Code or the Indiana Constitution.

Conflict reconciliation: Text in a statute in *this style type* or ~~this style type~~ reconciles conflicts between statutes enacted by the 2001 General Assembly.

## SENATE BILL No. 270

A BILL FOR AN ACT to amend the Indiana Code concerning libraries.

*Be it enacted by the General Assembly of the State of Indiana:*

- 1 SECTION 1. IC 20-14-2-7 IS AMENDED TO READ AS  
2 FOLLOWS [EFFECTIVE UPON PASSAGE]: Sec. 7. (a) The library  
3 board shall select a librarian, who holds a certificate under  
4 IC 20-14-12, to serve as the director of the library. The selection shall  
5 be made solely upon the basis of the candidate's training and  
6 proficiency in the science of library administration. The board shall fix  
7 the compensation of the director. The director, as the administrative  
8 head of the library, is responsible to the board for the operation and  
9 management of the library.  
10 (b) The library board shall employ and discharge librarians and  
11 other persons that are necessary in the administration of the affairs of  
12 the library. The board shall:  
13 (1) fix and pay their compensation;  
14 (2) classify them and adopt schedules of salaries; and  
15 (3) determine their number and prescribe their duties;  
16 all with the advice and recommendations of the library director.  
17 (c) In exercising its powers under this section, the library board may



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reimburse:

- (1) candidates for employment for expenses reasonably incurred while interviewing; and
- (2) new employees for their reasonable moving expenses.

If the library board exercises its authority under this subsection, it shall establish reasonable levels of reimbursement for the purposes of this subsection.

**(d) A library board may provide severance pay to a library employee who is separated from employment with the library.**

SECTION 2. IC 20-14-3-8 IS AMENDED TO READ AS FOLLOWS [EFFECTIVE UPON PASSAGE]: Sec. 8. The library board may **do the following:**

~~(1) issue, when necessary, warrants or tax anticipation notes of not more than one (1) year's duration;~~

~~(2) borrow upon a temporary loan; upon the determination of the board to do so; any sum of money not to exceed the uncollected and anticipated taxes for the current year;~~

**(1) Adopt a resolution to make loans or issue notes for the purpose of refunding those loans in anticipation of revenues of the library that are expected to be levied and collected during the term of the loans. The term of a loan made under this subdivision may not be more than five (5) years. Loans under this subdivision must be made in the following manner:**

**(A) The resolution authorizing the loans must appropriate and pledge to payment of the loans a sufficient amount of the revenues in anticipation of which the loans are issued and out of which the loans are payable.**

**(B) The loans must be evidenced by warrants or tax anticipation notes of the library in terms designating:**

- (i) the nature of the consideration;**
- (ii) the time and place payable; and**
- (iii) the revenues in anticipation of which the loans are issued and out of which the loans are payable.**

~~(3) (2) Borrow money from other persons.~~

~~(4) (3) Issue, negotiate, and sell negotiable notes and bonds of the public library.~~

~~(5) (4) Levy, assess, and collect, at the same time and in the same manner as other taxes of the public library are levied, assessed, and collected, a special tax in addition to the tax authorized by section 10 of this chapter, sufficient to pay all yearly interest on the bonded and note indebtedness of the public library. and~~

~~(6) (5) Provide a sinking fund for the liquidation of the principal~~

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of the bond when it becomes due.

SECTION 3. IC 20-14-3-14 IS AMENDED TO READ AS FOLLOWS [EFFECTIVE UPON PASSAGE]: Sec. 14. (a) The library board may ~~disburse according to law~~ **adopt a resolution allowing money to be disbursed under this section** for lawful library purposes.

(b) With the prior **written** approval of the library board ~~payment~~ **and if the library board has adopted a resolution under subsection (a), claim payments** may be made in advance **of library board allowance** for any of the following **types of expenses**:

(1) Property or services purchased or leased from the United States government or its agencies and the state, its agencies, or its political subdivisions.

(2) Dues, subscriptions, and publications.

(3) License **or permit** fees.

(4) Insurance premiums.

(5) Utility **payments or** connection charges.

(6) Federal grant programs where advance funding is not prohibited and the contracting party posts sufficient security to cover the amount advanced.

(7) Grants of state funds authorized by statute.

(8) Maintenance and service agreements.

(9) Legal retainer fees.

(10) Conference fees.

(11) Expenses related to the educational or professional development of an individual employed by the library board, including:

(A) inservice training;

(B) attending seminars or other special courses of instruction; and

(C) tuition reimbursement;

if the library board determines that the expenditures under this subdivision directly benefit the library.

**(12) Leases or rental agreements.**

**(13) Bond or coupon payments.**

**(14) Payroll costs.**

**(15) State, federal, or county taxes.**

**(16) Expenses that must be paid because of emergency circumstances.**

**(17) Other expenses described in a library board resolution.**

Each payment of expenses lawfully incurred for library purposes must be supported by a fully itemized invoice or other documentation. The library director must certify to the library board before payment that

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each claim for payment is true and correct. This certification must be on a form prescribed by the state board of accounts. **The library board shall review and allow the claim at the library board's first regular or special meeting following the payment of a claim under this section.**

~~(b)~~ **(c)** Purchases of books, magazines, pamphlets, films, filmstrips, microforms, microfilms, slides, transparencies, phonodiscs, phonotapes, models, art reproductions, and all other forms of library and audiovisual materials are exempt from the restrictions imposed by IC 5-22.

~~(c)~~ **(d)** The purchase of library automation systems must meet the standards established by the Indiana library and historical board under IC 4-23-7.1-11(b).

SECTION 4. IC 20-14-3-16 IS ADDED TO THE INDIANA CODE AS A **NEW** SECTION TO READ AS FOLLOWS [EFFECTIVE UPON PASSAGE]: **Sec. 16. (a) A library board may compromise claims made against the library.**

**(b) A library board or a person designated in writing by the library board may:**

**(1) collect money or materials; or**

**(2) compromise the amount of money;**

**that is owed to the library.**

**(c) A library board:**

**(1) shall determine the costs of collecting money or materials under this section; and**

**(2) may add the costs of collection, including reasonable attorney's fees, to money or materials that are owed and collected under this section.**

**(d) A library board or the library board's agent that collects money under this section shall deposit the money, less the costs of collection, in the account required by law.**

SECTION 5. An emergency is declared for this act.

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